

108TH CONGRESS
1ST SESSION

S. 1437

To expand the Federal tax refund intercept program to cover children who are not minors.

IN THE SENATE OF THE UNITED STATES

JULY 22 (legislative day, JULY 21), 2003

Mr. CHAFEE introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To expand the Federal tax refund intercept program to cover children who are not minors.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Child Support Fairness
5 and Tax Refund Interception Act of 2003”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Enforcing child support orders remains a
9 serious problem in the United States. There are ap-
10 proximately 17,100,000 active cases in which a child

1 support order requires a noncustodial parent to con-
2 tribute to the support of his or her child. Of the
3 \$24,700,000,000 owed in 2001 pursuant to such or-
4 ders, \$14,200,000,000, or 57 percent, has been col-
5 lected.

6 (2) It is an injustice for the Federal Govern-
7 ment to issue tax refunds to a deadbeat spouse while
8 a custodial parent has to work 2 or 3 jobs to com-
9 pensate for the shortfall in providing for his or her
10 children.

11 (3) The Internal Revenue Service (IRS) pro-
12 gram to intercept the tax refunds of parents who
13 owe child support arrears has been successful in col-
14 lecting a tenth of such arrears.

15 (4) Congress has periodically expanded eligi-
16 bility for the IRS tax refund intercept program. Ini-
17 tially, the program was limited to intercepting Fed-
18 eral tax refunds owed to parents on public assist-
19 ance. In 1984, Congress expanded the program to
20 cover parents not on public assistance. Finally, the
21 Omnibus Budget Reconciliation Act of 1990 made
22 the program permanent and expanded the program
23 to cover parents of adult children who are disabled.

24 (5) The injustice to the custodial parent is the
25 same regardless of whether the child is disabled,

1 non-disabled, a minor, or an adult, so long as the
2 child support obligation is provided for by a court or
3 administrative order. It is common for parents to
4 help their adult children finance a college education,
5 a wedding, or a first home. Some parents cannot af-
6 ford to provide such help because they are recov-
7 ering from debt incurred to cover expenses that
8 would have been covered if the parent had been paid
9 the child support owed in a timely manner.

10 (6) This Act addresses such injustices by ex-
11 panding the IRS tax refund intercept program to
12 cover parents of all adult children, regardless of
13 whether the child is disabled.

14 (7) This Act does not create a cause of action
15 for a custodial parent to seek additional child sup-
16 port. This Act merely helps the custodial parent re-
17 cover debt owed for a level of child support that was
18 set by a court after both sides had the opportunity
19 to present arguments about the proper amount of
20 child support.

21 **SEC. 3. USE OF TAX REFUND INTERCEPT PROGRAM TO**
22 **COLLECT PAST-DUE CHILD SUPPORT ON BE-**
23 **HALF OF CHILDREN WHO ARE NOT MINORS.**

24 Section 464 of the Social Security Act (42 U.S.C.
25 664) is amended—

1 (1) in subsection (a)(2)(A), by striking “(as
2 that term is defined for purposes of this paragraph
3 under subsection (c))”; and

4 (2) in subsection (c)—

5 (A) in paragraph (1)—

6 (i) by striking “(1) Except as pro-
7 vided in paragraph (2), as used in” and in-
8 serting “In”; and

9 (ii) by inserting “(whether or not a
10 minor)” after “a child” each place it ap-
11 pears; and

12 (B) by striking paragraphs (2) and (3).

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